



Minnesota Energy Resources

An Integrys Energy Group Company

1995 Rahnclyff Court, Suite 200

Eagan, MN 55122

www.minnesotaenergyresources.com

July 2, 2015

VIA ELECTRONIC FILING

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
St. Paul, MN 55101

Re: In the Matter of the Petition of Minnesota Energy Resources Corporation
for its Annual Review of Depreciation Rates for 2015
Docket No. G-011/D-15-534

Dear Mr. Wolf:

On June 1, 2015, Minnesota Energy Resources Corporation ("MERC") filed its Annual Review of Depreciation Rates for 2015 in compliance with the Commission's October 13, 2014 Order.

Following that filing, the Department of Commerce, Division of Energy Resources ("Department") requested that MERC provide the Transportation Equipment net salvage study, which had not been included with the original filing. MERC submits the attached Transportation Equipment net salvage study as a supplement to its June 1, 2015 filing to provide the information required for the Department to conduct its analysis of MERC's petition.

MERC requests that the Commission approve the Company's proposed depreciation lives and rates effective January 1, 2015 including the Transportation Equipment, Account 392.10 proposed change to an eight year average service life, twenty-five percent net salvage and resulting depreciation rate of 9.35 percent.

Please contact me at (651) 322-8965 if you have any questions.

Sincerely,

/s/ Amber S. Lee

Amber S. Lee
Regulatory and Legislative Affairs Manager
Minnesota Energy Resources Corporation

**Minnesota Energy Resources Corporation
Account 392.1 Transportation Equipment**

Year	Retirements	Cost of		Gross		Net	
		Removal	Percent	Salvage	Percent	Salvage	Percent
2006	6,627.29	0.00	0	7,867.09	119	7,867.09	119
2007	387,302.10	0.00	0	192,753.79	50	192,753.79	50
2008	112,111.99	0.00	0	23,934.00	21	23,934.00	21
2009	213,390.15	0.00	0	47,058.75	22	47,058.75	22
2010	291,562.17	0.00	0	67,196.82	23	67,196.82	23
2011	227,491.54	80.01	0	35,156.70	15	35,076.69	15
2012	494,410.11	0.00	0	116,059.07	23	116,059.07	23
2013	514,157.36	0.00	0	90,970.38	18	90,970.38	18
2014	319,716.38	287.09	0	65,035.08	20	64,747.99	20
TOTAL	2,566,769.09	367.10	0	646,031.68	25	645,664.58	25

AFFIDAVIT OF SERVICE

STATE OF MINNESOTA)
) ss
COUNTY OF HENNEPIN)

Kristin M. Stastny hereby certifies that on the 2nd day of July, 2015, on behalf of Minnesota Energy Resources Corporation (MERC) she electronically filed a true and correct copy of the attached Letter on www.edockets.state.mn.us. Said documents were also served via U.S. mail and electronic service as designated on the attached service list.

/s/ Kristin M. Stastny
Kristin M. Stastny

Subscribed and sworn to before me
This 2nd Day of July, 2015.

/s/ Alice Jaworski
Notary Public, State of Minnesota

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